

**STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD**

IN RE:	:	
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REVIEW OF ELECTRIC INTERCONNECTION OF DISTRIBUTED GENERATION FACILITIES RULES [199 IAC CHAPTER 45]	:	DOCKET NO. RMU-2016-0003
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**MIDAMERICAN ENERGY COMPANY’S REPLY TO STAKEHOLDER COMMENTS
REGARDING THE PROPOSED REVISIONS OF 199 IAC CHAPTER 45**

MidAmerican Energy Company (“MidAmerican”) submits this Reply to Stakeholder Comments in response to the Iowa Utilities Board (“Board”) Order Requesting Stakeholder Comments on Potential Rule Changes (“Order”) issued July 19, 2016 regarding the Board’s Electric Interconnection of Distributed Generation Facilities Rules. In these reply comments, MidAmerican supplements its previous comments filed on September 2, 2016 (“MidAmerican Comments”), and replies to other stakeholder comments submitted on September 6, 2016.

REPLY

- 1. The Majority of Responding Stakeholders Agree that the Substantive Provisions of Pre-application Requests, Applications for Interconnection, Supplemental Reviews, Certificates of Completion, and Interconnection Agreements (all herein referred to as the “Forms”) Should Remain in the Board’s Written Rules.**

MidAmerican, the Office of Consumer Advocate (“OCA”),¹ the Environmental Law and Policy Center (“ELPC”) and the Iowa Environmental Council (“IEC”)² all support maintaining

¹ OCA’s September 6, 2016 Statement of Position, p. 2 (Docket No. RMU-2016-0003) (“OCA’s Position”).

² ELPC & IEC’s September 6, 2016 Comments on Proposed Amendments, pp. 4-7 (Docket No. RMU-2016-0003) (“ELPC/IEC Comments”).

the substantive requirements of the Forms in the Board's written rules.³ While this approach doesn't prohibit the Board from removing the standardized documents (like the interconnection agreement form) from the rules and placing them on the website, MidAmerican maintains its request to identify a clear administrative process for modifying those standardized documents in the future. With respect to the substantive content and requirements (like the supplemental review process), MidAmerican believes these requirements should remain within the Board's written rules.

2. There is Strong Stakeholder Support for Disconnection of a Customer's Distributed Generation or Distributed Energy Storage Facility Until the Customer Becomes Compliant with Chapter 15 or 45 Rules, Rather than Disconnection of the Customer's Entire Electric System. (Amended Rule 199 IAC 45.3(2)“f”).

MidAmerican, ELPC, IAEC, IEC, and OCA, all note that complete disconnection of an interconnection customer's electric system is unnecessary to ensure distributed generation (or energy storage)⁴ customers comply with notice and maintenance requirements. The exception to this would be situations where there is no disconnection device available.

MidAmerican reiterates its proposed language that is intended to lessen the burden on interconnection customers by disconnecting the generation or storage facility until compliance is achieved. To accomplish this, MidAmerican proposes the following at Chapter 45.3(2)“f”, which is identical to its proposal in Chapter 15.10(3)“f”:

“f. If ~~An~~ an interconnection customer fails~~ing~~ to comply with the foregoing requirements, the electric utility may require disconnection of the applicant's distributed generation facility or distributed energy storage facility until it complies with this chapter. ~~may be disconnected as provided in 199 Chapter 20.~~ The disconnection process details shall be provided in individual electric utility tariffs or the interconnection agreement. If disconnection of the applicant's distributed

³ The Iowa Association of Electric Cooperatives (“IAEC”) urges that “caution should be taken not to amend said forms in the future without an opportunity for stakeholder input.” IAEC's September 6, 2016 Comments, p. 4 (Docket No. RMU-2016-0003).

⁴ MidAmerican notes that not all stakeholders have advocated for including energy storage as a separate definition in Chapters 15 and 45.

generation or distributed energy storage facility is not feasible, the applicant may be disconnected as provided in 199—Chapter 20.”⁵

3. The “No Construction Screen” Should Remain in the Supplemental Review Process.

ELPC and IEC continue to advocate for removal of the “no construction screen” found in section 45.7(2)“e”.⁶ In previous comments to the Board,⁷ MidAmerican noted that, if the “no construction screen” indicates a need for utility system construction, this shows the potential for adverse impacts to the distribution system. Because the identification of potential adverse impacts on the distribution system is an important analysis, this screen should be maintained.

MidAmerican is not inflexible on this issue however. As an alternative to eliminating this screen, MidAmerican asked the Board to define “minor system modification” as a way to provide flexibility, and provide the utilities with an objective target that would allow an interconnection to move forward without additional review if it only had minor impacts (or require additional review if those impacts were more significant). MidAmerican proposed this option to help streamline the process in situations where there is minimal system impact. However, this would not remove the important “no construction screen.”⁸

Board staff addressed this issue in its August 5, 2015 Gold Memo, pp. 20-22 (Docket No. NOI-2014-0001), which was filed in EFS on September 1, 2015. In this Gold Memo, the staff did not recommend removing the “no construction screen” and also did not recommend defining “minor system modification.” Staff reasoned that, acting together, maintaining the “no construction screen” and not defining the “minor system modification” would provide flexibility for utilities to work through small construction issues with interconnection applicants. While not

⁵ This proposed revision also incorporates “distributed energy storage facility” and adds clarity to situations in which the interconnection customer’s generation cannot be disconnected from the customer’s electric system.

⁶ ELPC/IEC Comments, pp. 14-16.

⁷ MidAmerican’s November 6, 2015 “Additional Comments Regarding Distributed Generation Interconnection Rules,” pp. 6-7 (Docket No. NOI-2014-0001).

⁸ Interstate Power and Light (“IPL”) has also previously advocated for no changes to the construction screen provision. *See* IPL’s November 6, 2015 “Additional Comments,” p. 5 (Docket No. NOI-2014-0001).

directly addressed in the Gold Memo, now that the Board has developed the supplemental review process, utilities and applicants will have additional flexibility to solve small interconnection problems without resorting to Level 4 review.

While MidAmerican continues to believe that a definition for “minor system modification” could be beneficial in identifying a threshold point at which additional review would be necessary, the proposed supplemental review process provides additional flexibility that will make this process better for customers. MidAmerican continues to believe that the “no construction screen” should be maintained in the rule.

4. MidAmerican Supports IPL’s Recommendation to Add Information to the Application Process.

MidAmerican agrees with IPL that some additional information provided during the interconnection process could be helpful to ensure an efficient interconnection process and safe operation of a private generation facility.⁹ Specifically, MidAmerican supports adding the following requirements:

- Applicant ownership interest information in all interconnection applications; (pp. 6-7)
- Meter number field in all interconnection applications; (p. 7)
- Adding expansion question to all interconnection applications (e.g., whether the proposed installation is an expansion of a current installation); (p. 7)
- Adding “AC” designation to Generation Facility Nameplate Rating; (p. 7)
- Additional solar PV system questions; (pp. 7-8)
- Adding inverter-based facilities questions to Level 1 interconnection applications; (p. 8)
- Additional language regarding executed certificate of completion; (pp. 8-9)

⁹ IPL’s September 6, 2016 “Statement of Position on Proposed Rule Changes – Chapter 45 and Comments on Proposed Forms and Processes,” pp. 6-7 (Docket No. RMU-2016-0003) (page numbers referenced in each bullet point).

- Level 2 - 4 interconnection agreement anti-islanding certification language; (pp. 9-10) and
- Additional language to the Interconnection System Impact Study Agreement to capture the affected system time and cost to complete. (pp. 10-11)

5. MidAmerican Opposes Unnecessary Expansion of the Annual Reports as Requested by ELPC/IEC; Any Information that is Required Should Be Subject to Confidential Treatment if Warranted. (Amended Rule 199 IAC 45.13(2)).

ELPC and IEC propose¹⁰ that the utilities provide additional distributed generation interconnection information in annual reports¹¹ to the Board. As noted above, MidAmerican agrees with IPL that some additional information could be useful to utilities to make the interconnection process more efficient and safe. However, simply because the utilities collect data to facilitate the interconnection application process does not necessarily mean that all such data should be reported to the Board. To the extent the Board finds this additional interconnection process data necessary to enforce its rules, MidAmerican could report it to the Board on a confidential basis.

Expanding the annual reporting requirements is unlikely to provide useful information to the Board. While the additional information may provide stakeholders with more data regarding the utilities' interconnection processes, many of the items that ELPC and IEC seek to add to the annual reporting requirements must be collected from customers and could result in a less efficient, slower, and more complex interconnection process for the applicants and the utilities. Until the need to report this information to the Board has been established, the Board should not expand the annual reporting requirements, and the information should be reported on a confidential basis.

¹⁰ ELPC/IEC Comments, pp. 12-14.

¹¹ 199 IAC §§ 15.3; 15.12 (proposed by Board in July 19, 2016 Order (Docket No. RMU-2016-0006)); 15.17(4); 15.17(5); 15.22(4) (476) (2016).

6. There is a Difference Between MidAmerican's, IPL's, and ELPC/IEC's Definition of "Disconnection Device."

Based on additional review of the Board's Notice of Investigation docket on distributed generation (Docket No. NOI-2014-0001) and the Board's proposed changes to 199 IAC Chapter 45 (Docket No. RMU-2016-0003), MidAmerican suggests that the term "distributed energy storage facility" be defined separately from "distributed generation facility" in Chapters 15 and 45. Accordingly, MidAmerican proposes the following definition to be included in section 45.1(1):

"Disconnection device" means a lockable visual disconnect or other disconnection device, ~~such as, but not limited to, a service disconnect, gang operated main disconnect, or breaker~~ capable of isolating, disconnecting and de-energizing the residual voltage in a customer-sited distributed generation facility or distributed energy storage facility subject to the requirements of Chapters 15 and 45."

WHEREFORE, MidAmerican Energy Company respectfully requests that the Board give these reply comments due consideration as it develops final rules in this proceeding.

Dated this 21st day of September, 2016.

Respectfully submitted,

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